



State of Arizona

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WORLD'S LEADING SOLAR MANUFACTURER TO LOCATE IN ARIZONA

Enticed by New Renewable Energy Tax Incentive

PHOENIX – Four months after Governor Jan Brewer signed Arizona's new Renewable Energy Tax Incentive into law, she today announced one of the world's largest solar cell manufacturers will locate its United States headquarters in Arizona and create jobs for Arizonans. China-based Suntech Power Holdings is a multi-billion dollar corporation that makes photovoltaic solar cells and solar electric systems.

"I am very serious about establishing Arizona as a leader in the renewable energy sector, and creating quality, stable jobs that will help advance and diversify our state's economy," Governor Brewer stated. "Arizona is a strategic location with a highly skilled workforce, low payroll taxes, and, now, the right incentive program to make business sense. I am pleased to welcome Suntech to Arizona, and commend the company for choosing our great State as the site for its solar manufacturing operation."

"States compete for high paying jobs, and the new Renewable Energy Tax Incentive Program allows us to compete while making sure that the companies who choose to locate in Arizona are an asset to the state's economy by providing high wage jobs and health benefits," said Senator Barbara Leff who helped champion the legislation. "The renewable energy sector is vital to our economic future."

When Suntech Power Holdings locates to Arizona in 2010, it will potentially be the first company eligible under the new Renewable Energy Tax Incentive program, which provides refundable tax credits and property tax reductions for manufacturers.

"Arizona is arguably the premier place in the United States to establish a renewable energy business – providing some of the lowest effective tax rates in the country," said Donald E. Cardon, Director of the Arizona Department of Commerce. "I commend Governor Brewer and Senator Leff for their leadership and our economic development partners at GPEC - it took both of our teams to win this project and Arizonans should be proud."

Suntech will locate in the Phoenix-metro area, but has not announced its Arizona site. The company is expected to hire up to 150 Arizonans in its first phase.

“Suntech’s expansion into Arizona blazes the trail for other large-scale solar manufacturers,” said Barry Broome, president and CEO of the Greater Phoenix Economic Council. “Material suppliers follow large module manufacturers, and therefore Suntech will be the anchor that draws additional companies and jobs.”

“Bringing green collar jobs to the U.S. has been part of our corporate vision for quite some time, and Arizona’s supportive policy and research environment drove the decision to come to the Greater Phoenix Area,” said Steven Chan, Chief Strategy Officer of Suntech. “We look forward to continued growth in Arizona and across the U.S. as the domestic solar market expands.”

Beginning in January 2010, Arizona’s Renewable Energy Tax Incentive Program will stimulate new investments in manufacturing and headquarter operations of renewable energy companies including solar, wind, geothermal and other renewable technologies. Two key benefits are:

1. State income tax credit of up to 10 percent of the value of the investment, depending on the number of qualified jobs being created.
2. If the capital investment is over \$25 million, then the renewable energy company is eligible for an approximate 77 percent reduction of the state property tax on both real and personal property for 10 to 15 years, depending on the size of the project and the wages that are paid.

“By continuing to foster a solar industry that will someday become an economic force of great significance, Arizona will diversify its economy, grow green jobs, and better the environment for the citizens of this great State,” Governor Brewer added.

The Arizona Department of Commerce provides updates and additional information on the Renewable Energy Tax Incentive Program at www.azcommerce.com. Add your name to the program notification list by contacting TiffanyF@azcommerce.com.

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